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# H. R. 7758

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 9 (legislative day, SEPTEMBER 5), 1959

Read twice and referred to the Committee on Post Office and Civil Service

JUNE 22, 1960

Reported by Mr. JOHNSTON of South Carolina, with amendments

[Omit the part struck through and insert the part printed in *italic*]

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## AN ACT

To improve the administration of overseas activities of the Government of the United States, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That *titles I to V, inclusive, of this Act may be cited as the*  
4       “Overseas Differentials and Allowances Act”.

### 5           TITLE I—PURPOSE AND DEFINITIONS

#### 6                   PART A—PURPOSE

7       SEC. 101. The Congress hereby declares that it is the  
8       purpose of this Act to improve and strengthen the adminis-  
9       tration of overseas activities of the Government by—

1           (1) providing a means for more effectively com-  
2       pensating Government employees for the extra costs and  
3       hardships incident to their assignments overseas,

4           (2) providing for the uniform treatment of Gov-  
5       ernment employees stationed overseas to the extent  
6       justified by relative conditions of employment,

7           (3) establishing the basis for the more efficient and  
8       equitable administration of the laws compensating Gov-  
9       ernment employees for the extra costs and hardships  
10      incident to their assignments overseas, and

11          (4) facilitating for the Government the recruit-  
12      ment and retention of the best qualified personnel for  
13      civilian service overseas.

14                           PART B—DEFINITIONS

15      SEC. 111. As used in this title, title II, and section  
16      522 of title V, the term—

17          (1) “Government” means the Government of the  
18      United States of America;

19          (2) “Government agency” means (A) each executive  
20      department of the Government, (B) each independent estab-  
21      lishment or agency in the executive branch of the Govern-  
22      ment, including each corporation wholly owned (either  
23      directly or through one or more corporations) by the Gov-  
24      ernment, (C) the General Accounting Office, and (D) the  
25      Library of Congress;

1       (3) "Employee" means an individual employed in the  
2 civilian service of a Government agency and more specifi-  
3 cally defined in regulations prescribed by the President, but  
4 including ambassadors, ministers, and officers of the For-  
5 eign Service of the United States under the Department of  
6 State;

7       (4) "United States", when used in a geographical sense,  
8 means the several States of the United States of America  
9 and the District of Columbia;

10       (5) "Continental United States" means the several  
11 States of the United States of America, excluding Alaska  
12 and Hawaii but including the District of Columbia; and

13       (6) "Foreign area" means any area (including the  
14 Trust Territory of the Pacific Islands) situated outside the  
15 United States, the Commonwealth of Puerto Rico, the Canal  
16 Zone, and the possessions of the United States.

17 TITLE II—ALLOWANCES AND DIFFERENTIALS  
18 IN FOREIGN AREAS

19 PART A—GENERAL PROVISIONS

20 SEC. 201. Notwithstanding section 1765 of the Revised  
21 Statutes (5 U.S.C. 70), the allowances and differentials  
22 provided by this title are authorized for and may be granted  
23 only to an employee officially stationed in a foreign area  
24 unless otherwise provided in this title—

25       (1) who is a citizen of the United States, and

1           (2) whose rate of basic compensation is fixed by  
2       statute or, without taking into consideration the allow-  
3       ance and differentials provided by this title, is fixed by  
4       administrative action pursuant to law or is fixed  
5       administratively in conformity with rates paid by the  
6       Government for work of a comparable level of difficulty  
7       and responsibility in the continental United States  
8       except that such allowances and differentials may be paid to  
9       an employee officially stationed in a foreign area who is not  
10      a citizen of the United States to the extent that the payment  
11      of such allowances and differentials to such non-citizen em-  
12      ployee is authorized by any provision of law other than this  
13      title.

14      SEC. 202. Allowances granted under this title may be  
15      paid in advance, or advance of funds may be made therefor,  
16      through the proper disbursing officer in such sums as may  
17      be deemed advisable in consideration of the need and the  
18      period of time during which expenditures must be made in  
19      advance by the employee or employees. Any advance of  
20      funds not subsequently covered by allowances accrued to  
21      the employee or employees under this title shall be recover-  
22      able by the Government by setoff against accrued salary,  
23      pay, compensation, amount of retirement credit, or other  
24      amount due from the Government to such employee or

1 employees and by such other method as may be provided by  
2 law for the recovery of amounts owing to the Government.  
3 *The head of the Government agency concerned may, in ac-*  
4 *cordance with regulations of the President, waive in whole*  
5 *or in part any right of recovery under this section, if it is*  
6 *shown that such recovery would be against equity and good*  
7 *conscience or against the public interest.*

8 SEC. 203. The allowances and differentials authorized  
9 by this title shall be paid in accordance with regulations  
10 prescribed by the President establishing rules governing pay-  
11 ments thereof and the respective rates at which such pay-  
12 ments shall be made, the foreign areas, the groups of posi-  
13 tions, and the categories of employees to which such rates  
14 shall apply, and other related matters.

15 PART B—QUARTERS ALLOWANCES

16 SEC. 211. Whenever Government-owned or Govern-  
17 ment-rented quarters are not provided without charge for  
18 an employee in a foreign area, one or more of the following  
19 quarters allowances may be granted to such employee where  
20 applicable:

21 (1) A temporary lodging allowance for the reason-  
22 able cost of temporary quarters incurred by the employee  
23 and his family (A) for a period not in excess of three  
24 months after first arrival at a new post of assignment in a

1 foreign area or a period ending with the occupation of resi-  
2 dence quarters, whichever shall be shorter, and (B) for a  
3 period of not more than one month immediately preceding  
4 final departure from the post subsequent to the necessary  
5 evacuation of residence quarters;

6 (2) A living quarters allowance for rent, heat, light,  
7 fuel, gas, electricity, and water, without regard to the limi-  
8 tations of section 3648 of the Revised Statutes, as amended  
9 (31 U.S.C. 529) ; and

10 (3) Under unusual circumstances payment or reim-  
11 bursement for extraordinary, necessary, and reasonable ex-  
12 penses, not otherwise compensated for, incurred in initial re-  
13 pairs, alterations, and improvements to an employee's  
14 privately leased residence at a post of assignment in a foreign  
15 area, if such expenses are administratively approved in ad-  
16 vance and if the duration and terms of the lease justify  
17 payment of such expenses by the Government.

18 PART C—COST-OF-LIVING ALLOWANCES

19 SEC. 221. The following cost-of-living allowances may  
20 be granted, where applicable, to an employee in a foreign  
21 area:

22 (1) A post allowance to offset the difference between  
23 the cost of living at the post of assignment of the employee  
24 in a foreign area and the cost of living in Washington, Dis-  
25 trict of Columbia;

1       (2) A transfer allowance for extraordinary, necessary,  
2 and reasonable expenses, not otherwise compensated for,  
3 incurred by an employee incident to establishing himself at  
4 any post of assignment in a foreign area or at a post of  
5 assignment in the United States between assignments to  
6 posts in foreign areas;

7       (3) A separate maintenance allowance to assist an em-  
8 ployee who is compelled, by reason of dangerous, notably  
9 unhealthful, or excessively adverse living conditions at his  
10 post of assignment in a foreign area or for the convenience  
11 of the Government, to meet the additional expense of main-  
12 taining, elsewhere than at such post, his wife or his de-  
13 pendants, or both;

14       (4) An education allowance or payment of ~~transporta-~~  
15 ~~tion~~ *travel* costs to assist an employee with the extraordinary  
16 and necessary expenses, not otherwise compensated for,  
17 incurred by reason of his service in any foreign area or for-  
18 eign areas in providing adequate education for his depend-  
19 ents, as follows:

20       (A) An allowance not to exceed the cost of obtain-  
21 ing such elementary and secondary educational services as  
22 are ordinarily provided without charge by the public schools  
23 in the United States, plus, in those cases where adequate  
24 schools are not available at the employee's post, board and  
25 room, and periodic transportation between such post and

1 the nearest locality, where adequate schools are available,  
2 without regard to the limitations of section 3648 of the  
3 Revised Statutes, as amended (31 U.S.C. 529) ; but the  
4 amount of the allowance granted shall be determined on the  
5 basis of the educational facility used;

6 (B) The cost of ~~transporting~~ *travel expenses* of depend-  
7 ents of an employee to and from a school in the United States  
8 to obtain an American secondary or undergraduate college  
9 education, not to exceed one trip each way for each depend-  
10 ent for the purpose of obtaining each type of education; but  
11 no allowance payments under subparagraph (A) of this  
12 paragraph (4) shall be made for any dependent during the  
13 twelve months following his arrival in the United States for  
14 secondary education pursuant to authority contained in this  
15 subparagraph (B). Notwithstanding section 111(6) of  
16 this Act, ~~transportation~~ *travel expenses*, for the purpose of  
17 obtaining undergraduate college education, may be authorized  
18 under this subparagraph (B), under such regulations as the  
19 President may prescribe, for dependents of employees who  
20 are citizens of the United States stationed in the Canal Zone.

21 PART D—POST DIFFERENTIAL

22 SEC. 231. A post differential may be granted on the  
23 basis of conditions of environment which differ substantially  
24 from conditions of environment in the continental United  
25 States and warrant additional compensation as a recruit-



1 ment and retention incentive. Such differential also may be  
2 granted to any employee who is officially stationed in the  
3 United States and who is on extended detail in a foreign area.  
4 Additional compensation paid as a post differential shall not  
5 in any instance exceed 25 per centum of the rate of basic  
6 compensation.

7 TITLE III—MISCELLANEOUS EXPENSES

8 PART A—STORAGE

9 SEC. 301. (a) Paragraphs (4) and (5) of section 911  
10 of the Foreign Service Act of 1946 (22 U.S.C. 1136 (4)  
11 and (5)) are amended to read as follows:

12 “(4) the cost of packing and unpacking, transport-  
13 ing to and from a place of storage, and storing the  
14 furniture and household and personal effects of an officer  
15 or employee of the Service, when he is absent from his  
16 post of assignment under orders, or when he is as-  
17 signed to a post to which he cannot take or at which  
18 he is unable to use such furniture and household and  
19 personal effects, or when it is in the public interest or  
20 more economical to authorize storage; but in no instance  
21 shall the weight or volume of the effects stored together  
22 with the weight or volume of the effects transported  
23 exceed the maximum limitations fixed by regulations,  
24 when not otherwise fixed by law;

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1           “(5) the cost of packing and unpacking, transport-  
2     ing to and from a place of storage, and storing the  
3     furniture and household and personal effects of an officer  
4     or employee of the Service in connection with assign-  
5     ment or transfer to a new post, from the date of his  
6     departure from his last post or from the date of his  
7     departure from his place of residence in the case of a  
8     new officer or employee and for not to exceed three  
9     months after arrival at the new post, or until the  
10    establishment of residence quarters, whichever shall be  
11    shorter; and, in connection with separation of an officer  
12    or employee of the Service, the cost of packing and un-  
13    packing, transporting to and from a place of storage, and  
14    storing for a period not to exceed three months, his  
15    furniture and household and personal effects; but in no  
16    instance shall the weight or volume of the effects stored  
17    together with the weight or volume of the effects trans-  
18    ported exceed the maximum limitations fixed by regu-  
19    lations, when not otherwise fixed by law.”

20       (b) Paragraphs (1) (D) and (E) of section 4 of the  
21    Central Intelligence Agency Act of 1949 (63 Stat. 209,  
22    72 Stat. 337; 50 U.S.C. 403e (a) (1) (D) and (E)) are  
23    amended to read as follows:

24           “(D) pay the cost of packing and unpacking,  
25    transporting to and from a place of storage, and storing

1 the furniture and household and personal effects of an  
2 officer or employee of the Agency, when he is absent  
3 from his post of assignment under orders, or when he is  
4 assigned to a post to which he cannot take or at which  
5 he is unable to use such furniture and household and  
6 personal effects, or when it is in the public interest or  
7 more economical to authorize storage; but in no instance  
8 shall the weight or volume of the effects stored together  
9 with the weight or volume of the effects transported  
10 exceed the maximum limitations fixed by regulations,  
11 when not otherwise fixed by law;

12 “(E) pay the cost of packing and unpacking, trans-  
13 porting to and from a place of storage, and storing the  
14 furniture and household and personal effects of an officer  
15 or employee of the Agency in connection with assign-  
16 ment or transfer to a new post, from the date of his de-  
17 parture from his last post or from the date of his de-  
18 parture from his place of residence in the case of a  
19 new officer or employee and for not to exceed three  
20 months after arrival at the new post, or until the es-  
21 tablishment of residence quarters, whichever shall be  
22 shorter; and in connection with separation of an officer  
23 or employee of the Agency, the cost of packing and  
24 unpacking, transporting to and from a place of storage,  
25 and storing for a period not to exceed three months, his

1 furniture and household and personal effects; but in no  
2 instance shall the weight or volume of the effects stored  
3 together with the weight or volume of the effects trans-  
4 ported exceed the maximum limitations fixed by regu-  
5 lations, when not otherwise fixed by law."

6 (c) The first section of the Administrative Expenses  
7 Act of 1946 (60 Stat. 806), as amended (5 U.S.C. 73b-1),  
8 is amended—

9 (1) by striking out "(not to exceed seven thousand  
10 pounds if uncrated or eight thousand seven hundred and  
11 fifty pounds if crated or the equivalent thereof when  
12 transportation charges are based on cubic measure-  
13 ment)" in subsection (a) of such section and inserting  
14 in lieu thereof "(not to exceed seven thousand pounds  
15 net weight)"; and

16 (2) by adding at the end of such section the follow-  
17 ing new subsection:

18 "(e) Whenever any civilian officer or employee (in-  
19 cluding any new appointee in accordance with section 7 of  
20 this Act) is assigned to a permanent duty station outside the  
21 continental United States to which he cannot take or at  
22 which he is unable to use his household goods and personal  
23 effects or whenever the head of the department concerned  
24 authorizes storage of any such property in the public interest  
25 or for reasons of economy, storage expenses (including re-

1 lated transportation and other expenses) may be allowed  
2 such officer or employee in accordance with regulations pre-  
3 scribed by the President; but in no instance shall the weight  
4 of the property stored under this subsection, together with  
5 the weight of property transported under subsection (a), ex-  
6 ceed the maximum weight limitation provided by subsection  
7 (a).”

8 (d) The term “furniture and household and personal  
9 effects”, as used in the amendments made by this part to  
10 the Foreign Service Act of 1946, as amended, and the Cen-  
11 tral Intelligence Agency Act of 1949, as amended, and the  
12 term “household goods and personal effects”, as used in the  
13 amendments made by this part to the Administrative Ex-  
14 penses Act of 1946, as amended, mean such personal prop-  
15 erty of an employee and the dependents of such employee  
16 as the Secretary of State and the Director of Central Intelli-  
17 gence, as the case may be, with respect to the term “furni-  
18 ture and household and personal effects”, and the President.  
19 with respect to the term “household goods and personal  
20 effects”, shall by regulation authorize to be transported or  
21 stored under the amendments made by this part to such Acts  
22 (including, in emergencies, motor vehicles authorized to be  
23 shipped at Government expense). Such motor vehicle shall  
24 be excluded from the weight and volume limitations pre-  
25 scribed by the laws set forth in this part.

1           PART B—OFFICIAL RESIDENCE EXPENSES

2           SEC. 311. (a) The Administrative Expenses Act of  
3 1946 (60 Stat. 806), as amended, is amended by adding at  
4 the end thereof the following new section:

5           “SEC. 22. Under such regulations as the President may  
6 prescribe, funds available to the departments for admin-  
7 istrative expenses may be allotted to posts in foreign coun-  
8 tries for the purpose of defraying the unusual expenses inci-  
9 dent to the operation and maintenance of official residences  
10 suitable for the chief representatives of the United States at  
11 such posts and such other senior officials of this Government  
12 in foreign countries as the President may designate.”

13          (b) Section 8 of the United Nations Participation Act  
14 of 1945, as amended (22 U.S.C. 287e), is amended by  
15 striking out “and the allotment of funds, similar to the  
16 allotment authorized by section 902 of the Foreign Service  
17 Act of 1946, for unusual expenses incident to the operation  
18 and maintenance of such living quarters, to be accounted for  
19 in accordance with section 903 of said Act;” and inserting in  
20 lieu thereof “and unusual expenses similar to those authorized  
21 by section 22 of the Administrative Expenses Act of 1946,  
22 as amended by section 311 of the Overseas Differentials and  
23 Allowances Act, incident to the operation and maintenance  
24 of such living quarters;”.

1       PART C—TRANSPORTATION OF MOTOR VEHICLES

2       SEC. 321. The first section of the Administrative Ex-  
3       penses Act of 1946 (60 Stat. 806), as amended (5 U.S.C.  
4       73b-1), is amended by adding thereto, immediately follow-  
5       ing the new subsection (e) added to such first section by  
6       section 301 (c) of this Act, the following new subsection:  
7       “(f) Under such regulations as the President may pre-  
8       scribe, the privately owned motor vehicle of any employee  
9       (including any new appointee, in accordance with section  
10      7 of this Act) assigned to a post of duty outside the conti-  
11      nental United States on other than temporary duty orders  
12      may be transported to, from, and between the continental  
13      United States and such post of duty, or between posts of  
14      duty outside the continental United States, whenever it is  
15      determined by the head of the department concerned to be  
16      in the interest of the Government for such employee to have  
17      the use of a motor vehicle at his post of duty. Not more  
18      than one motor vehicle of any employee may be transported  
19      under authority of this subsection during any four-year pe-  
20      riod, except that, as a replacement for such motor vehicle,  
21      one additional motor vehicle of any employee may be so  
22      transported during such period upon approval, in advance,  
23      by the head of the department concerned and upon a deter-  
24      mination, in advance, by such department head that such

1 replacement is necessary for reasons beyond the control of  
2 the employee and is in the interest of the Government. After  
3 the expiration of a period of four years following the date  
4 of transportation under authority of this subsection of a  
5 privately owned motor vehicle of any employee who has  
6 remained in continuous service outside the continental United  
7 States during such period, the transportation of a replace-  
8 ment for such motor vehicle for such employee may be  
9 authorized, in accordance with this subsection, by the head of  
10 the department concerned. The head of each department  
11 may, in accordance with this subsection, authorize the trans-  
12 portation of privately owned motor vehicles of employees  
13 of such department, assigned to duty outside the continental  
14 United States, by commercial means if available at reason-  
15 able rates and under reasonable conditions or by Govern-  
16 ment means on a space-available basis. This subsection shall  
17 not apply to the Foreign Service of the United States under  
18 the Department of State and to the Central Intelligence  
19 Agency but shall not affect the authority contained in sec-  
20 tion 913 of the Foreign Service Act of 1946 (60 Stat.  
21 1027; 22 U.S.C. 1138) or paragraph (4) of section 4  
22 of the Central Intelligence Agency Act of 1949 (63 Stat.  
23 210, 72 Stat. 337; 50 U.S.C. 403e (a) (4) ).”

24 SEC. 322. Section 913 of the Foreign Service Act of



1 1946 (60 Stat. 1027; 22 U.S.C. 1138) is amended to read  
2 as follows:

3 "TRANSPORTATION OF MOTOR VEHICLES

4 "SEC. 913. The Secretary may, notwithstanding the  
5 provisions of any other law, transport for or on behalf of an  
6 officer or employee of the Service, a privately owned motor  
7 vehicle in any case in which he shall determine that water,  
8 rail, or air transportation of the motor vehicle is necessary  
9 or expedient for all or any part of the distance between  
10 points of origin and destination. Not more than one motor  
11 vehicle of any such officer or employee may be transported  
12 under authority of this section during any four-year period,  
13 except that, as a replacement for such motor vehicle, one  
14 additional motor vehicle of any such officer or employee may  
15 be so transported during such period upon approval, in ad-  
16 vance, by the Secretary and upon a determination, in advance  
17 by the Secretary that such replacement is necessary for  
18 reasons beyond the control of the officer or employee and  
19 is in the interest of the Government. After the expiration  
20 of a period of four years following the date of transportation  
21 under authority of this section of a privately owned motor  
22 vehicle of any officer or employee who has remained in  
23 continuous service outside the continental United States (ex-

1 cluding Alaska and Hawaii) during such period, the trans-  
2 portation of a replacement for such motor vehicle for such  
3 officer or employee may be authorized by the Secretary in  
4 accordance with this section.”

5 SEC. 323. (a) That part of section 4(a) of the Cen-  
6 tral Intelligence Agency Act of 1949, as amended (63 Stat.  
7 209, 73 Stat. 337; 50 U.S.C. 403e), which precedes para-  
8 graph (1) thereof, is amended—

9 (1) by striking out “(a)”; and

10 (2) by striking out “permanent-duty stations out-  
11 side the continental United States, its territories, and  
12 possessions,” and inserting in lieu thereof “duty stations  
13 outside the several States of the United States of Amer-  
14 ica, excluding Alaska and Hawaii, but including the  
15 District of Columbia,”.

16 (b) Paragraph (4) of section 4 of the Central Intelli-  
17 gency Agency Act of 1949, as amended (63 Stat. 210, 73  
18 Stat. 337; 50 U.S.C. 403e(a)(4)), is amended to read  
19 as follows:

20 “(4) Notwithstanding the provisions of any other  
21 law, transport for or on behalf of an officer or employee  
22 of the Agency, a privately owned motor vehicle in any  
23 case in which it shall be determined that water, rail, or

1 air transportation of the motor vehicle is necessary or  
2 expedient for all or any part of the distance between  
3 points of origin and destination, and pay the costs of  
4 such transportation. Not more than one motor vehicle  
5 of any officer or employee of the Agency may be trans-  
6 ported under authority of this paragraph during any  
7 four-year period, except that, as a replacement for such  
8 motor vehicle, one additional motor vehicle of any such  
9 officer or employee may be so transported during such  
10 period upon approval, in advance, by the Director and  
11 upon a determination, in advance, by the Director that  
12 such replacement is necessary for reasons beyond the  
13 control of the officer or employee and is in the interest  
14 of the Government. After the expiration of a period of  
15 four years following the date of transportation under au-  
16 thority of this paragraph of a privately owned motor  
17 vehicle of any officer or employee who has remained in  
18 continuous service outside the several States of the  
19 United States of America, excluding Alaska and Hawaii,  
20 but including the District of Columbia, during such pe-  
21 riod, the transportation of a replacement for such motor  
22 vehicle for such officer or employee may be authorized  
23 by the Director in accordance with this paragraph."

1 TITLE IV—AMENDMENTS TO ANNUAL AND SICK  
2 LEAVE ACT OF 1951

3 SEC. 401. Subsections (d), (e), and (f) of section 203  
4 of the Annual and Sick Leave Act of 1951, as amended  
5 (5 U.S.C. 2062 (d), (e), and (f)), are amended to  
6 read as follows:

7 “(d) Notwithstanding the provisions of subsection (c),  
8 a maximum accumulation not to exceed forty-five days at  
9 the beginning of the first complete biweekly pay period, or  
10 corresponding pay period in the case of an officer or em-  
11 ployee who is not paid on the basis of biweekly pay periods,  
12 in any year is authorized for the following categories of em-  
13 ployees of the Federal Government stationed outside the  
14 United States:

15 “(1) Persons directly recruited or transferred by the  
16 Federal Government (A) from the United States, or (B)  
17 from the Commonwealth of Puerto Rico or the possessions  
18 of the United States for employment outside the area of re-  
19 cruitment or from which transferred.

20 “(2) Persons employed locally but (A) (i) who were  
21 originally recruited from the United States, or from the  
22 Commonwealth of Puerto Rico or the possessions of the  
23 United States but outside the area of employment, (ii) who  
24 have been in substantially continuous employment by other  
25 Federal agencies, United States firms, interests or organiza-

1 tions, international organizations in which the United States  
2 Government participates, or foreign governments, and (iii)  
3 whose conditions of employment provide for their return  
4 transportation to the United States or the Commonwealth of  
5 Puerto Rico or the possessions of the United States, or  
6 (B) (i) who were at the time of employment temporarily  
7 absent, for the purpose of travel or formal study, from the  
8 United States, or from their respective places of residence in  
9 the Commonwealth of Puerto Rico or the possessions of the  
10 United States and (ii) who, during such temporary absence,  
11 have maintained residence in the United States or in the Com-  
12 monwealth of Puerto Rico or the possessions of the United  
13 States but outside the area of employment.

14 “(3) Persons who are not normally residents of the  
15 area concerned and who are discharged from service in the  
16 Armed Forces of the United States to accept employment  
17 with an agency of the Federal Government.

18 “(e) The leave granted pursuant to this title shall be  
19 exclusive of the time actually and necessarily occupied in  
20 going to and from the post of duty and exclusive of such  
21 time as may be necessarily occupied in awaiting transporta-  
22 tion, in the case of an officer or employee (1) who is within  
23 the purview of subsection (d) of this section, (2) whose  
24 post of duty is outside the United States, and (3) who  
25 returns on leave to the United States, or to his place of

1 residence, which is outside the area of employment, in the  
2 Commonwealth of Puerto Rico or the possessions of the  
3 United States. The provisions of this subsection shall not  
4 apply to more than one period of leave in a prescribed tour  
5 of duty at a post outside the United States.

6 “(f) Upon completion of twenty-four months of  
7 continuous service outside the United States, officers  
8 and employees may be granted, in accordance with regula-  
9 tions of the President, leave of absence at a rate not to  
10 exceed one week for each four months of such service  
11 without regard to any other leave provided by this title, for  
12 use in the United States, or, if their respective places of  
13 residence are outside the area of employment, in the Com-  
14 monwealth of Puerto Rico or the possessions of the United  
15 States. Such leave so granted may be accumulated for  
16 future use without regard to the limitation in subsection  
17 (d) of this section but no such leave shall be made the  
18 basis for any terminal leave or for any lump-sum payment.”

19 SEC. 402. (a) Section 202 (b) (2) of the Annual and  
20 Sick Leave Act of 1951, as amended (5 U.S.C. 2061 (b)  
21 (2).), is amended to read as follows:

22 “(2) This title, except section 203 (g), shall not apply  
23 to alien employees who occupy positions outside the United  
24 States.”

25 (b) Section 203 (g) of such Act, as amended (5 U.S.C.

1 2062 (g) ), is amended by striking out "the several States and  
2 the District of Columbia" and inserting in lieu thereof "the  
3 United States".

4 (c) Section 202 of such Act, as amended (5 U.S.C.  
5 2061), is amended by adding at the end of such section  
6 the following new subsection:

7 "(d) As used in this title, the term 'United States'  
8 means the several States of the United States of America  
9 and the District of Columbia."

10 SEC. 403. The amendments made by this title to the  
11 Annual and Sick Leave Act of 1951, as amended, shall take  
12 effect on the first day of the first pay period following the  
13 date of enactment of this Act.

14 TITLE V—APPROPRIATION, REPEAL, AMENDA-  
15 TORY, AND MISCELLANEOUS PROVISIONS

16 PART A—APPROPRIATION PROVISIONS

17 SEC. 501. (a) There are hereby authorized to be ap-  
18 propriated such sums as may be necessary to carry out the  
19 purposes of this Act and the amendments made by this Act.

20 (b) Appropriations or funds otherwise available, for  
21 the fiscal year ending June 30, 1960, to any department,  
22 agency, establishment or corporation of the Government of  
23 the United States of America within the purview of this  
24 Act or of any amendment made by this Act are hereby made

1 available for the purposes of this Act and of any such  
2 amendment in accordance with the authority contained in  
3 this Act or contained in any law amended by this Act and  
4 in accordance with such regulations as the President may  
5 prescribe.

6 PART B—REPEAL AND AMENDATORY PROVISIONS

7 SEC. 511. (a) The following provisions of law are  
8 hereby repealed:

9 (1) Sections 443, ~~901 (1) and (2)~~, 902, 903, and  
10 911 (9) of the Foreign Service Act of 1946, as amended  
11 (60 Stat. 1006, 1025, and 1026; 69 Stat. 27; 22 U.S.C.  
12 888, ~~1131~~, 1132, 1133, and 1136 (9) ) ;

13 (2) Sections 2 (b) , 13, and 14 of the Act entitled "An  
14 Act to provide certain basic authority for the Department  
15 of State", approved August 1, 1956 (70 Stat. 890, 892;  
16 Public Law 885, Eighty-fourth Congress; 5 U.S.C. 170g  
17 (b) , 170r, and 170s) ; and

18 (3) Sections 1 (d) and 4 (b) of the Central Intelli-  
19 gence Agency Act of 1949, as amended (63 Stat. 208 and  
20 211; 50 U.S.C. 403a (d) and 403e (b) ) .

21 (b) Any provision of law which is not repealed by sub-  
22 section (a) of this section but is inconsistent with any pro-  
23 vision of this Act or of any amendment made by this Act  
24 shall be held and considered to be amended, modified, or



25

1 superseded to the extent necessary to carry out the purposes

2 of and conform to such provision of this Act or of such

3 amendment.

4 (c) (1) Section 1 (c) of the Central Intelligence

5 Agency Act of 1949 (63 Stat. 208; 50 U.S.C. 403a (c) )

6 is amended by striking out "Government, and" and insert-

7 ing in lieu thereof "Government."

8 (2) Paragraph (1) (A) of section 4 of the Central

9 Intelligence Agency Act of 1949, as amended (63 Stat. 209;

10 72 Stat. 337; 50 U.S.C. 403e (a) (1) (A) ), is amended to

11 read as follows:

12 (1) (A) pay the travel expenses of officers and

13 employees of the Agency, including expenses incurred

14 while traveling pursuant to authorized home leave;"

15 (3) Paragraph (3) (A) of section 4 of such Act (63

16 Stat. 209 and 210; 72 Stat. 337; 50 U.S.C. 403e (a) (3)

17 (A) ) is amended to read as follows:

18 (3) (A) Order to any of the several States of

19 the United States of America (including the District of

20 Columbia, the Commonwealth of Puerto Rico, and any

21 territory or possession of the United States) on leave

22 of absence each officer or employee of the Agency who

23 was a resident of the United States (as described above)

24 at time of employment, upon completion of two years

1 continuous service abroad, or as soon as possible there-  
2 after.”

3 (4) Paragraph (3) (B) of section 4 of such Act (63  
4 Stat. 210; 72 Stat. 337; 50 U.S.C. 403e (a) (3) (B) ) is  
5 amended to read as follows:

6 “(B) While in the United States (as described in  
7 paragraph (3) (A) of this section) on leave, the service  
8 of any officer or employee shall be available for work or  
9 duties in the Agency or elsewhere as the Director may  
10 prescribe; and the time of such work or duty shall not be  
11 counted as leave.”

12 (5) Paragraph (3) (C) of section 4 of such Act (63  
13 Stat. 210; 72 Stat. 337; 50 U.S.C. 403e (a) (3) (C) ) is  
14 amended to read as follows:

15 “(C) Where an officer or employee on leave returns  
16 to the United States (as described in paragraph (3) (A)  
17 of this section), leave of absence granted shall be ex-  
18 clusive of the time actually and necessarily occupied in  
19 going to and from the United States (as so described)  
20 and such time as may be necessarily occupied in awaiting  
21 transportation.”

22 (6) The Act entitled “An Act to provide living quarters,  
23 including heat, fuel, and light, for civilian officers and em-  
24 ployees of the Government stationed in foreign countries”,

1 approved June 26, 1930 (46 Stat. 818; Public Law 445,  
2 Seventy-first Congress; 5 U.S.C. 118a), is amended—

3 (A) by striking out “and, where such quarters are  
4 not available, may be granted an allowance for living  
5 quarters, including heat, fuel, and light, notwithstanding  
6 the provisions of section 1765 of the Revised Statutes  
7 (U.S.C., title 5, sec. 70)”; and

8 (B) by striking out that part of the first proviso of  
9 such Act of June 26, 1930, which reads “or allowances  
10 in lieu thereof”.

11 (7) Section 901 of the Foreign Service Act of 1946,  
12 as amended (22 U.S.C. 1131), is amended to read as  
13 follows:

14 “REPRESENTATION ALLOWANCES  
15 “SEC. 901. In accordance with such regulations as the  
16 President may prescribe and notwithstanding the provisions  
17 of section 1765 of the Revised Statutes (5 U.S.C. 70), the  
18 Secretary is authorized to grant to any officer or employee  
19 of the Service who is a citizen of the United States allowances  
20 in order to provide for the proper representation of the United  
21 States by officers or employees of the Service.”

## 22 PART C—MISCELLANEOUS PROVISIONS

23 SEC. 521. Whenever reference (is) made in any other  
24 law or in any regulation to any provision of law which is re-  
25 pealed, modified, amended, or superseded by reason of sec-

tion 511 of this Act, such reference, unless inconsistent with this Act, shall be held and considered to refer to this Act or the appropriate provision of, or amendment made by, this Act.

SEC. 522. Notwithstanding any provision of this Act and until such time as regulations are issued under this Act, employees shall continue to be paid allowances and differentials in accordance with rules and regulations issued pursuant to the laws in effect immediately prior to the enactment of this Act and such rules and regulations may be amended or revoked in accordance with the provisions of such laws.

SEC. 523. (a) Section 912 of the Internal Revenue Code of 1954 (relating to exemption for certain allowances) is amended to read as follows:

**“SEC. 912. EXEMPTIONS FOR CERTAIN ALLOWANCES.**

“The following items shall not be included in gross income, and shall be exempt from taxation under this subtitle:

“(1) **FOREIGN AREAS ALLOWANCES.**—In the case of civilian officers and employees of the Government of the United States, amounts received as allowances or otherwise (but not amounts received as post differentials) under—

(A) title IX of the Foreign Service Act of 1946, as amended (22 U.S.C. sec. 1131 and following);

1           “(B) section 4 of the Central Intelligence  
2           Agency Act of 1949, as amended (50 U.S.C., sec.  
3           403e),

4           “(C) title II of the Overseas Differentials and  
5           Allowances Act, or

6           “(D) subsection (e) or (f) of the first section  
7           of the Administrative Expenses Act of 1946, as  
8           amended, or section 22 of such Act.

9           “(2) COST-OF-LIVING ALLOWANCES.—In the case  
10          of civilian officers or employees of the Government of  
11          the United States stationed outside the continental  
12          United States (other than Alaska), amounts (other than  
13          amounts received under title II of the Overseas Differen-  
14          tials and Allowances Act) received as cost-of-living  
15          allowances in accordance with regulations approved by  
16          the President.”

17          (b) Paragraphs (1) and (2) of section 912 of the  
18          Internal Revenue Code of 1954, as amended by subsec-  
19          tion (a) of this section, shall apply only with respect to  
20          amounts received on or after the date of the enactment of  
21          this Act in taxable years ending on or after such date.

Passed the House of Representatives September 8, 1959.

Attest:

RALPH R. ROBERTS,

*Clerk.*

Calendar No. 1710

86TH CONGRESS  
2D SESSION

**H. R. 7758**

[Report No. 1647]

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## **AN ACT**

To improve the administration of overseas activities of the Government of the United States, and for other purposes.

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SEPTEMBER 9 (legislative day, SEPTEMBER 5), 1959  
Read twice and referred to the Committee on Post  
Office and Civil Service

JUNE 22, 1960  
Reported with amendments

TRANSMITTAL SLIP		DATE <b>7 July 1960</b>
TO: <b>Personnel</b>		
ROOM NO.	BUILDING	
REMARKS:		
<p>Attached is a copy of H. R. 7758 as passed by the Senate last week. There are a number of minor changes in the bill from the version which passed the House last year. We are advised that these minor, non-substantive changes were requested by the House Committee and that when the Congress reconvenes in August the House will take immediate action to approve this bill. Thus, it appears that the bill has been approved in principle by the Congress and there is every reason to expect that it will</p>		
FROM: <b>Legislative Counsel</b>		<b>STAY</b>
ROOM NO. <b>221</b>	BUILDING <b>East</b>	EXTENSION <div style="border: 1px solid black; width: 50px; height: 20px;"></div>
FORM NO. <b>241</b> 1 FEB 55		REPLACES FORM 36-8 WHICH MAY BE USED. GPO : 1957-O-439445 (47)

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become law in August or September.  
In view of the numerous changes to the  
existing CIA Act of 1949 I would  
assume you would wish to give  
consideration to the necessary  
changes in regulations which will  
be required.



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